GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:2261
ANSWERED ON:22.07.2004
ENTRANCE OF ONGC INTO CRUDE AND GAS SHIPPING
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the ONGC proposes to enter into the crude and gas shipping business;

(b) if so, the amount of investment proposed to be made by ONGC in the crude and gas shipping business;

(c) the additional area in the domestic and foreign sector where ONGC proposes to diversify its business; and

(d) the details thereof?

Answer

MINISTER OF PETROLEUM & NATURAL GAS AND PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR)

(a) & (b) Oil and Natural Gas Corporation Ltd. (ONGC) have informed Government that, as part of their business growth plan and synergistic integration with their operational units, they are contemplating entry into crude and natural gas shipping. The proposal is at a conceptual stage and it is in this context that alternative options contained in the proposal are being evaluated. It is only thereafter that an assessment can be made of the investment likely to be made.

(c) & (d) ONGC have further informed government that, in tune with the strategy pursued by most global oil majors, ONGC is pursuing business growth options by way of value chain integration and synergy amongst all operational units. As ONGC is already involved in natural gas and LNG business besides owning refinery, the company has been evaluating various business options for entry into power, petrochemicals sectors,etc.